agricultural situation

THE CROP REPORTERS MAGAZINE
ECONOMICS, STATISTICS, AND COOPERATIVES SERVICE
U.S. DEPARTMENT OF AGRICULTURE

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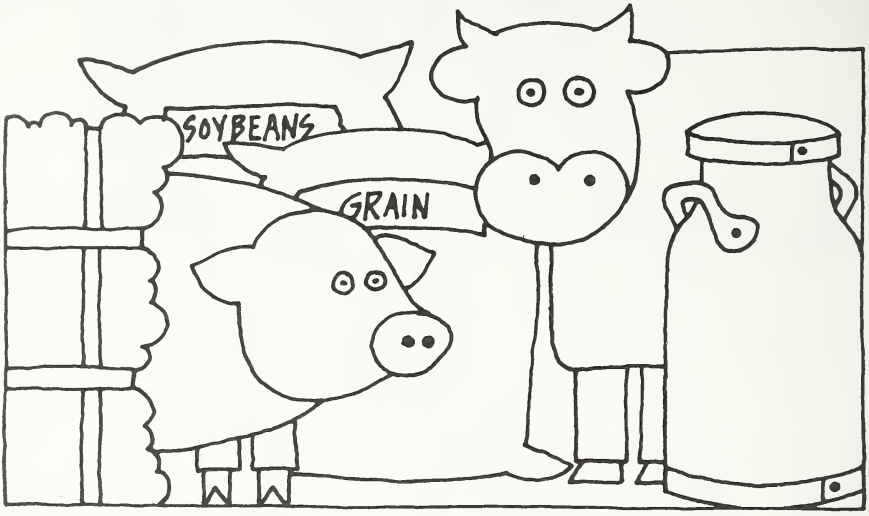


After several long, lean years, U.S. farmers are finally realizing improved incomes.

Farm returns in 1978 are turning substantially higher, say analysts, who cite sharply increased livestock earnings, moderately higher crop receipts, and stepped-up government payments.

USDA economists recently summed up the situation this way: "Generally, farmers seem to be in a good equity position, particularly established farmers who have benefited from rising real estate values. Although some farmers in important producing areas of the Nation remain vulnerable to further financial setbacks, the overall financial health of the industry appears sound."

By midyear, the experts were projecting net farm income for calendar 1978 to reach about $25 billion. While that's still well below the record $30 billion earned in 1973, it's a $5-billion improvement over last year.

As always, certain farmers will fare better than others depending on their relative efficiency, the size of their operation, and the commodities they produce.

For livestock and poultry producers as a group, the economists see solid gains. Prices for livestock and products have turned higher than previously expected and continued basic strength seems likely.

In the beef cattle arena, feedlot operators have taken a pounding since 1973, when feeding costs shot skyward relative to prices received for fed cattle. However, cattlemen's earnings began improving last year, gathered strength into this year, and should soon signal the end of the liquidation phase of the cattle cycle.

As producers begin stabilizing their herds, beef slaughter will fall off, further shoring up cattle prices. Current estimates put average Choice steer prices in the mid-$50's throughout the second half of 1978—compared with last year's average of just over $40.

The longer term situation suggests declining beef production and rising prices for at least the next 3 years, which economists say is necessary to materially improve the financial shape of feeder livestock producers.

Recent loan repayment difficulties of cattle raisers are ex-

pected to ease, although substantial refinancing will probably occur as the buildup phase of the cattle cycle gets underway.

Except for poor years in 1971 and 1974, hog producers managed to avoid the prolonged hard times that plagued cattlemen. And while they faced the same soaring feed costs that cattlemen did, hog producers generally received favorable prices for their finished animals relative to the price of feed.

Hog producers look to be in a good financial position this year, and will probably not be adversely affected by a slight rise in pork production as 1978 draws to a close.

Unlike hog producers, dairymen got caught in a profit squeeze that hung on through 1973-75, but finally eased in 1976. Returns turned sharply higher last year.

Current legislation will help the dairy sector fend off hard times over the next several years. The Food and Agriculture Act of 1977 requires a milk price support level of not less than 80 percent of parity through March 1979 and also specifies that the level be adjusted semiannually through March 1981 to reflect changes in the parity index. Because of the higher support prices, financial conditions of dairy farmers should improve this year and beyond.

Grain producers, particularly wheat farmers, watched their cash receipts rise sharply during 1971-74, but saw the bottom begin falling out of the market the following year. Wheat farmers were hardest hit by bumper crops both here and abroad.

Calculated as a return to land, earnings from wheat plunged from

DEBT, EQUITY, AND RETURNS FOR AN AVERAGE U.S. CASH GRAIN FARM[1]

Item	1973	1974	1975	1976	1977
			Average Dollars Per Farm		
Small farms[2]					
Debt	13,148	15,196	16,918	18,755	20,958
Equity	85,836	111,376	118,921	133,192	151,077
Debt/equity[3]	.15	.14	.14	.14	.14
Net return[4]	10,580	13,128	9,934	8,158	5,684
Return to equity	6.1	6.5	3.1	1.2	-0.8
Medium farms[2]					
Debt	37,963	43,870	48,735	54,099	60,662
Equity	235,942	308,116	326,900	365,536	414,152
Debt/equity[3]	.16	.14	.15	.15	.15
Net return[4]	40,425	51,413	39,099	32,454	22,012
Return to equity	13.5	13.7	9.0	6.1	2.8
Large farms[2]					
Debt	212,020	245,025	275,510	302,291	338,336
Equity	1,097,501	1,435,351	1,527,779	1,713,804	1,947,652
Debt/equity[3]	.19	.17	.18	.18	.17
Net return[4]	213,430	282,743	206,059	165,164	100,189
Return to equity	16.9	17.6	11.5	7.7	3.4

[1]Average per farm level of debt, equity, and returns on farms on which 50 percent or more of cash receipts are from crops of corn, sorghum, wheat, and other small grains, soybeans for beans, cowpeas for peas, dry field and seed beans, or peas.

[2]Small farms are those with annual cash receipts of $5,000 to $19,999; medium farms, $20,000 to $39,999; large farms, $100,000 and greater.

[3]Dollars of farm debt for each dollar of farm equity or net worth.

[4]Net returns to equity, operator labor, and management.

$47.65 an acre in 1974 to minus $6.81 at 1977 market prices. Therefore, while earnings in 1974 could have paid a debt of $468 an acre at 9 percent interest over a 25-year period, returns in 1977 wouldn't even cover labor and management charges.

Corn producers found themselves in similar straits, while soybean farmers did considerably better.

Prospects of stronger demand for grains and a number of specific actions—including changes in the grain reserve program, acreage diversion for feed grains and cotton, and a higher target price for wheat—should improve the cash flow positions of producers of these crops.

A closer look at some typical farms shows how growers should fare this year . . .

Comparative budgets for a typical 3,040-acre Montana wheat farm show that net returns (net cash income less depreciation and the cost of family labor and management) plummeted from about $93,500 in 1975 to $35,000 the next year and less than $15,500 in 1977.

But given better price prospects and barring adverse weather, this

DEBT, EQUITY, AND RETURNS FOR AN AVERAGE U.S. LIVESTOCK RANCH[1]

Item	1973	1974	1975	1976	1977
			Average Dollars Per Farm		
Small farms[2]					
Debt	12,842	14,841	16,508	18,311	20,488
Equity	148,803	183,536	195,048	217,226	248,441
Debt/equity[3]	.09	.08	.08	.08	.08
Net return[4]	3,460	-133	-2,029	2,302	-2,026
Return to equity	-0.6	-2.7	-3.7	-3.5	-3.1
Medium farms[2]					
Debt	54,311	62,764	69,791	77,427	86,688
Equity	394,708	483,196	511,903	723,369	649,487
Debt/equity[3]	.14	.13	.14	.14	.13
Net return[4]	15,273	1,869	-5,297	6,030	-4,877
Retirm to equity	2.3	-1.0	-2.4	-2.4	-1.9
Large farms[2]					
Debt	452,230	522,522	578,749	643,657	725,157
Equity	1,864,427	2,257,885	2,371,441	2,618,817	2,987,227
Debt/equity[3]	.24	.23	.24	.25	.24
Net return[4]	152,538	-31,544	-137,514	-153,293	-145,176
Return to equity	7.0	-2.4	-6.8	-6.8	-5.7

[1]Includes ranch operations in the 17 Western States, Louisiana, Florida, Hawaii, and Alaska, where sales of livestock represent over 50 percent of farm cash receipts and pasture-land was at least 100 acres and at least 10 times greater than acres of cropland harvested.
[2]Small farms are those with annual cash receipts from $5,000 to $19,999; medium farms, $20,000 to $39,999; large farms, $100,000 and greater.
[3]Dollars of farm debt for each dollar of farm equity or net worth.
[4]Net returns to equity, operator labor, and management.

farm should realize net returns approaching $42,000. This would equal just over 7 percent of equity, versus less than 3 percent last year.

The financial statement for a typical southwest Oklahoma cotton, wheat, and beef farm reveals continuously low returns during 1975-77. For 1978, a net cash income of roughly $29,400, minus depreciation and management costs, will leave net returns to equity of about $8,000. That comparatively low figure, however, nearly doubles net returns of a year earlier.

Conditions have been similar, and possibly even more depressed, for cotton and sorghum farmers in the Texas High Plains. Net cash income on a 720-acre cotton and sorghum farm is expected to total nearly $30,000 this year, but when depreciation and management charges are deducted, the result is a net return to equity of minus $580. Even so, that's a sharp improvement from last year, when net returns to equity penciled out to minus $5,886.

On a 400-acre east central Illinois corn and soybean farm, the debt to equity ratio last year dropped below the previous 2 years, mainly because assets—led by soaring land values—climbed at a much faster pace than farm debt.

The rapid rise in assets, coupled with a $15,000 drop in net cash income, caused net returns to slide from 16 percent of equity in 1976 to less than 6 percent last year.

Net cash income on this typical Illinois corn and soybean farm is expected to recover substantially this year to around $35,000.

Conditions on a 900-acre Mississippi Delta cotton farm, bad enough during 1975 and 1976, worsened last year. Net cash income during 1977 dropped well below half the 1976 level to $11,300. After allowing for depreciation and charges to family labor and management, net return to equity stood at minus 4.5 percent.

Payments on debts took more than half the net cash earnings on this farm in 1975 and 1976, and exceeded net earnings last year. For 1978, however, net cash income is expected to reach nearly $45,000—roughly 4 times the year-earlier figure. Deducting management and depreciation leaves a net return to equity of nearly $15,000, for a $32,000-improvement from 1977.

GRAIN STORAGE CRUNCH AHEAD?

Record feed grain and soybean crops in prospect for 1978 raise the inevitable question of whether we'll face a grain storage crunch this fall.

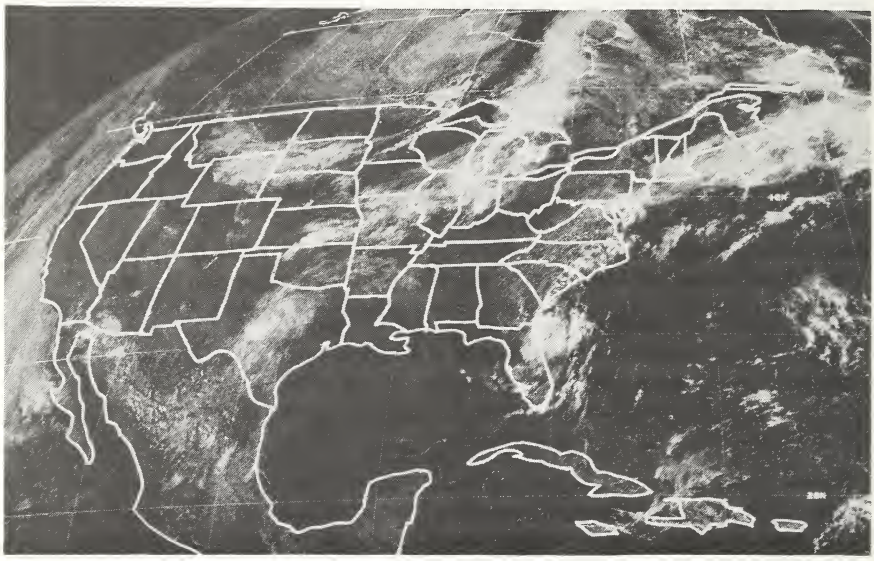
A report issued by USDA earlier this year indicated that as of April 1, the United States had facilities for storing 17 billion bushels of grain. This included an on-farm capacity of 10 billion bushels, with the remainder in off-farm commercial storage units.

USDA economists say that this is adequate if grain and oilseed supplies total near the 14 billion bushels forecast in September. They caution, however, that weather always plays a key role in whether storage problems become widespread.

Dry weather in the fall usually speeds up harvesting, creating an onrush of commodities that can clog storage and transportation facilities. Wet weather, on the other hand, slows the harvest, and permits more orderly storage and marketing.

Even with optimum weather and adequate capacity, there's probably no escaping the usual spot shortages that surface in almost every part of the Nation's grain belt around harvesttime. U.S. crop supplies generally peak in late November following corn, sorghum, and oilseed harvests.

IN THE WAKE OF AMELIA



In this satellite photo, remnants of Tropical Storm Amelia blot out the center of Texas. The storm carried heavy rains that triggered flooding and severely damaged isolated sections of the State.

"The immediate local losses were disastrous; we'll just have to wait to see its effect on the future."

That is John Heatly's assessment of the impact of mid-summer's tropical Storm Amelia, which crashed into dust dry areas of southern and central Texas. Heatly, executive director of the Agricultural Stabilization and Conservation Service (ASCS) office in Texas' hard-hit Shackelford County, painted a dismal picture of cropland and livestock destruction.

In late July an easterly storm wave formed in the Caribbean, slipped over Mexico's Yucatan Peninsula and headed toward the Texas coast. Upon reaching the mainland, the storm's energy dissipated, prompting the National Weather Service to remove "tropical storm" status. However, an accompanying flow of moist Gulf air persisted, carrying record rains to portions of the Lone Star State.

The amount of water collected in a 2- to 3-day span completely saturated areas far behind their normal rainfalls of 20 to 25 inches a year. For example, points in:

Kerr County - 22 inches
Haskell County - 24 inches
Shackelford County - 30 inches

Wil Walther, statistician in charge of the Texas Crop and Livestock Reporting Service says, "The situation went from one extreme to the other. The problems of serious drought turned to the problems of heavy rain."

As with all storms, damage patterns were erratic. Within a 100-mile radius of San Antonio in south Texas hill country, the rain fell hard but much of it on rangeland. Though much of the Texas cotton and sorghum crops escaped serious injury in the area, some growers felt the full fury of Amelia. In some counties farther north, crop damage was nearly total.

The dryness had hurt crop growth where the rolling plains meet the

A field of grain sorghum lies virtually destroyed and the land severely eroded after flood waters raced through Shackelford County. Five to six inches of topsoil were lost in this area.

north central prairie near Abilene. Drenching rains completed what the drought had begun.

Heatly explains, "We were worrying about drought loss when the rains hit. Of nearly 4,100 acres of Shackelford County cotton, we had projected about a 60-percent loss to drought. The rain made it a total loss of $720,000."

The ASCS office in adjacent Haskell County turned in a similar report: Of 160,000 acres put to cotton, 70 percent of the crop is gone from both drought and flooding, with losses of more than $25.2 million. Both county offices gave a bleak account for the 1978 grain sorghum harvest—little or none at all with a projected earnings loss of more than $1.3 million.

Farmers of Shackelford County suffered more than a million dollars damage to structural and cropland assets, and a quarter million dollars in livestock losses. Amelia ripped 500 miles of the county's fencing from the ground. Two tons per acre of hay and grazing were lost on 70 percent of the land. Pastures in Haskell County tallied $6.6 million damage.

Carolyn Pippin, administrative assistant in the Haskell County ASCS office: "I couldn't believe the damage caused by Rice Springs (which flows through Haskell). That little creek is dry most of the time."

USDA officials in Texas are busy processing damage reports from local farmers seeking Federal assistance to recover and rebuild.

One form of government aid will probably be distributed as cost shares under emergency conservation measures. The program calls for Federal funds to cover up to 80 percent of the value of structures and land before Amelia. But 1979 may not bring an end to the storm's impact. Some sections lost large amounts of topsoil, enough to make it difficult to plant next year, and possibly years to come.

FIELD WATCH ON WINTER WHEAT

Plow. Disc. Harrow. Drill. Winter wheat farmers in the major producing areas across the Nation's midsection and Northwest are busy putting in their 1979 crop.

Production potential is still the big question that won't be answered until acreage and yield have been determined.

Planted acreage has been declining since the 1976 crop topped out for this decade at almost 58 million acres; the 1977 level was 56; and then 48 million last fall. Output retreated from the record 1.64 billion bushels in 1975 to 1.53 last year as average yields held relatively steady between 31.5 and 32 bushels per acre.

These still impressively large acreage and production figures make it hard to comprehend the importance that a relatively limited number of plots only 21.6 inches wide by three drill rows deep plays in the national production estimate.

Each spring such special units are set up in 1,900 winter wheat fields in the 15 States producing 90 percent of the crop. Similar work is done for spring wheat; sample units are established in 600 fields in the five States raising 95 percent of the crop.

The first official production forecast for the 1979 winter wheat crop will be published December 21 by the Crop Reporting Board based on a mail survey of a cross section of farmers who report their seeded acreage and crop condition.

However, when the production forecast is updated in May, and monthly through harvest, findings from the special plots will come into the picture, along with more survey answers from producers.

Simply stated, what's found within these small wheat plots will provide yield prospects for the entire crop. Major components in forecasting yield are the weight and quantity of the individual wheat

heads. By finding out these detailed data for a small area—the sample plot—statisticians are able to project the average yield per acre for the United States.

Well-trained enumerators lay out two sample plots in the selected fields and count each wheat stalk in a portion of the units.

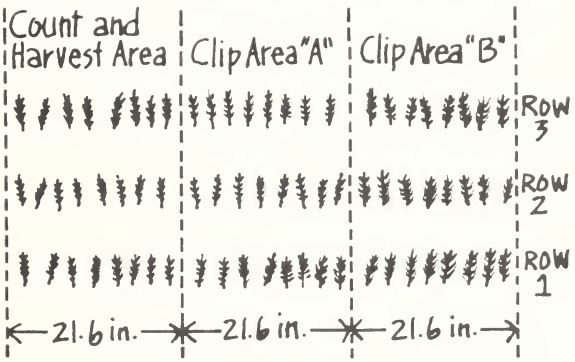
On a later visit, the count will include all stalks 10 inches tall and taller and the number of heads emerged or in the boot stage of development.

A count of fertile spikelets provides the first indication of head weight. When the wheat plant reaches the late stage of development the actual weight per head is used.

When the crop reaches the hard dough or ripe stage, samples of the wheat in the unit are clipped and sent to a Crop Reporting Board laboratory for determinations of grain weight and moisture content. This information and the number of heads counted in the unit are expanded to determine final gross yield prospects.

After harvest, enumerators make a final visit to the fields for gleanings as a guide to harvesting losses and a net yield indication.

Left: Reliable wheat forecasts start with individual farmers who report on crop conditions in their area. Sample plots, laid out in the exact dimensions shown, provide additional details for estimating expected yields.
Opposite page: After harvest, enumerators return to the test plots to determine harvest loss for an indication of net yield.



CROP FORECASTS: A GLANCE AT THE TRACK RECORD

"Crop estimates are always too high." "The estimates are never right."

Farmers sometimes direct these remarks at the accuracy of agricultural estimates prepared by the Crop Reporting Board. How valid are the statements?

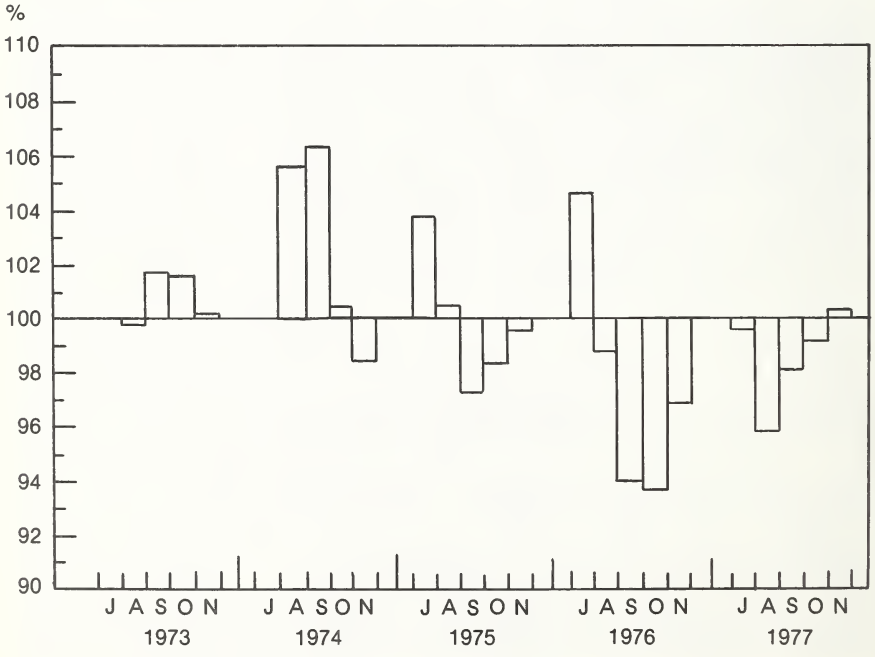
The accompanying charts display how the estimates for corn, soybeans, and winter wheat from 1973 through 1977 reflected changing prospects during the growing season.

Of the 68 total forecasts 28 were above the final production levels, 39 were below, and one was on the mark. By commodities, 10 of the corn forecasts were above the final outturn and 13 were below; for soybeans, the readings were 8 over and 12 under; and winter wheat, 10 higher and 14 lower.

A glance at the forecasts made for these three crops since 1957 shows that 135 were above while 165 were below.

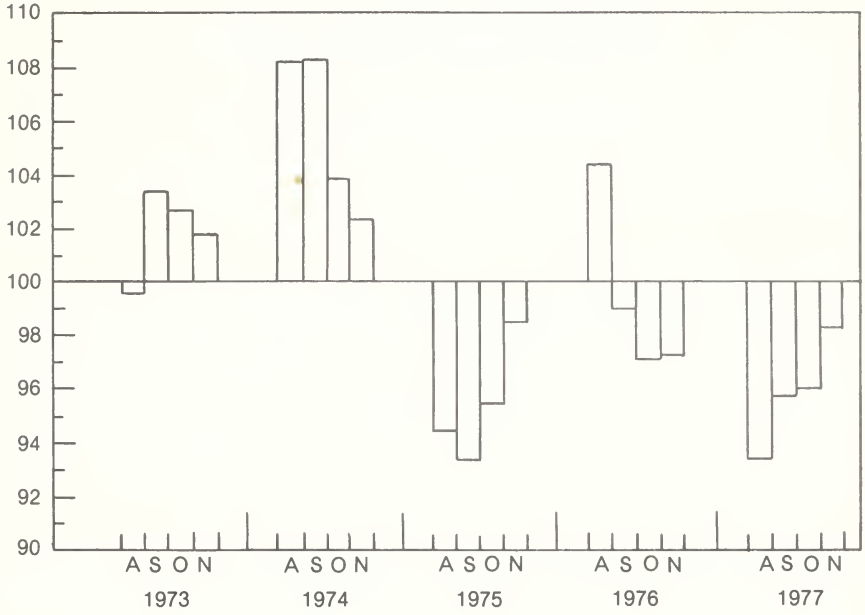
The charts depict just how close the forecasts during the growing season were to the eventual crop size. For example, the difference between corn forecasts and final harvests averaged only 2.4 percent; for soybeans, 3.9 percent; and winter wheat, 3.5 percent. The widest variance generally occurs early in the season and narrows toward harvest as the more fully developed crops reveal more about their yield potential.

CORN: PRODUCTION FORECASTS AS PERCENT OF FINAL ESTIMATE

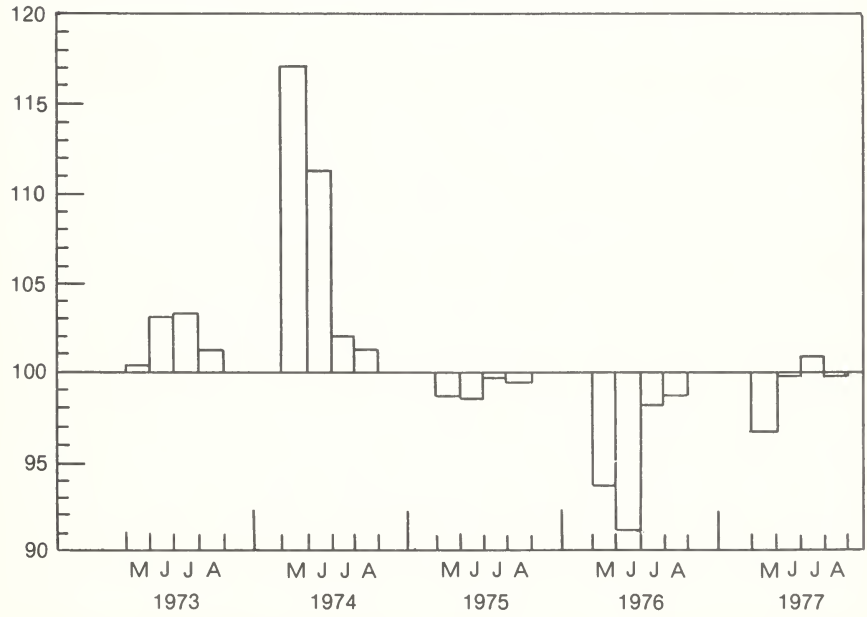


No July forecasts in 1973 and 1974.

SOYBEANS: PRODUCTION FORECASTS AS PERCENT OF FINAL ESTIMATE



WINTER WHEAT: PRODUCTION FORECASTS AS PERCENT OF FINAL ESTIMATE



Briefings

RECENT REPORTS BY USDA OF ECONOMIC, MARKETING, AND RESEARCH DEVELOPMENTS AFFECTING FARMERS.

FEWER HOPS ON HAND. . .On September 1, hop holdings in the U.S. stood at 47.5 million pounds, down 6% from last year's record. Brewers' inventories also dropped 6% to 45.4 million pounds, 96% of the total, as dealers' holdings rose slightly to 1.7 million pounds, and growers' supplies remained steady at 380,000. Whole, dry hops again made up a smaller share of the total inventory—57%—while hops stored in pellet form continued to gain in popularity, this year providing 28% of U.S. stocks.

CRANBERRIES - MORE OF 'EM. . .The first forecast of the Nation's 1978 cranberry crop shows a 9% increase from last year but falls 5% below 1976's record level. Nearly 2.3 million barrels are expected, reflecting crop upturns in every major producing State. Favorable temperatures and rainfall and no damaging spring frosts have helped crop development in Massachusetts, which will remain the top producer with an estimated 950,000 barrels. Other major cranberry States are Wisconsin, New Jersey, Washington, and Oregon.

COTTON EXPORTS CLIMBED 14% LAST YEAR. . .During the marketing year ended July 31, U.S. cotton exports totaled 5.2 million running bales (5.5 million 480-lb. bales), up sharply from the 4.6 million shipped during 1976/77. Last year's large domestic crop and limited cotton expansion overseas kept U.S. cotton extremely competitive most of the year, accounting for much of the gain. The 1978/79 marketing year opened with sluggish shipments but the pace quickened during the third week in August, when 148,000 bales left American ports. Exports are expected to remain strong over the next few months.

SOVIET GRAIN OUTLOOK. . .Based on information available through early September, prospects continue to look good for the USSR grain crop. In its fourth forecast of 1978 production, USDA's Interagency Task Force on USSR Grain Situation says the chances remain two out of three that the total crop will fall in the 210- to 230-million-ton range. The September forecast calls for 220 million tons, unchanged from the early August projection and equal to the Soviet plan for production this year.

OUTLOOK '79. . . Scheduled for November 13-16 in Washington, D.C., the 1979 Food and Agricultural Outlook Conference will focus on what's happening next year in the U.S. and general economies, world trade, weather and climate, retail food supplies and prices, farm and food policy, food marketing and distribution, and nutrition. The outlook for major farm commodities and inputs will be discussed in separate sessions. The Conference is open to the public at no charge. For a free copy of the preliminary program, or of the Conference Proceedings—available soon after the sessions end—write ESCS Publications, Rm. 0054-South, USDA, Washington, D.C., 20250.

CLEAN WATER IS THE GOAL. . .Some rural communities that lack good drinking water will get a boost from a recent agreement between USDA's Farmers Home Administration (FmHA) and the Environmental Protection Agency (EPA). Under the program, EPA will designate communities whose drinking water fails to meet national standards. Those communities will get higher priority than others for FmHA-assisted water improvement projects. Grants and loans totaling $1 billion are available this year under FmHA programs to help build, enlarge, and improve water treatment systems in communities with populations under 10,000. EPA estimates that 12,000 communities will need additional water treatment.

TOP POTATO?. . .On the market this year is a new potato that's 50% higher in Vitamin C and 15 to 20% higher in protein than Russet Burbank, the Nation's most popular variety. The newcomer is named Butte, and was developed by a plant geneticist with USDA's Science and Education Administration. Butte, which closely resembles Russet Burbank and generally thrives in the same growing areas in the Pacific Northwest, boasts excellent cooking qualities, a long shelf life, and makes a good french fry. Last year was the first time Butte was offered to growers, who planted only 300 acres. This season they planted 3,000. While it's much too soon to know if Butte will unseat Russet Burbank as America's favorite potato, its developers say the potential is there.

TOBACCO BUSINESS. . .American tobacco manufacturers expect to sell more cigarettes worldwide this year, although total disappearance of U.S. tobacco will probably remain near the 1.9 billion pounds of the marketing year ended this past June 30. Analysts say U.S. cigarette output might barely top the 685 billion manufactured last year. While exports are rising at a brisk pace, cigarette use here at home likely will show only a ½ to 1% gain over last year. During calendar 1978, the smoking and health issue, coupled with further price increases, may lower the smoking rate for persons 18 years and older by 1% from last year's 203 packs.

JOBS THAT WEREN'T THERE BEFORE. . . Last year, electric and telephone systems financed by USDA's Rural Electrification Administration (REA) helped create nearly 46,000 new jobs in rural America. The jobs came from the roughly 1,300 commercial, industrial, and community facility projects launched by REA borrowers. The number of projects, which included hospitals, water and sewer systems, fire stations, health and recreation facilities, and housing developments, rose more than 40% above 1976. Much of the increase is traced to stepped-up efforts to help borrowers locate Federal programs that provide funds for community development. REA officials estimate that since 1961, more than 608,700 jobs have been created in rural areas through the 11,440 local projects established by REA borrowers.

PHOSPHORUS AND WATER. . . Phosphorus in soil can act as a major plant nutrient, but if an excessive amount washes into streams and lakes, the element will rob water of vital oxygen and lead to pollution. USDA's Science and Education Administration (SEA) has provided Oklahoma State University researchers with funds to study phosphorus concentrations in soil compared with runoff water and sediments in lakes and streams. The 1-year study on four sites in Oklahoma and Texas is one of 14 SEA projects to investigate rural water quality protection.

"BOTANO-CHEMICALS" - A NEW NAME IN ENERGY?. . . The poinsettia may be more than just a pretty flower at Christmas. Chemists in the Science and Education Administration are studying that plant and hundreds of others to determine how much and what kind of hydrocarbons the plants can produce. Hydrocarbons are hydrogen and carbon compounds such as natural rubber and turpentine from plants, and gasoline and kerosene from petroleum. Species ranging from pesky weeds to exotic ornamentals have shown potential as new sources of rubber and fuel as well as food and fiber. A sampling of plants showing great potential includes: guayule (studied as a rubber crop during World War II), common milkweed, sow thistle, and Indian plantain.

YEN FOR CHERRIES. . . Japanese shoppers can buy U.S. sweet cherries for the first time, thanks to a new fumigation treatment for codling moths. Developed by USDA and Washington State University researchers, the treatment completely controls the fruit-destroying moths without harming fruit quality or taste. The only major fruit producer that does not have codling moths, Japan has until now forbidden imports of U.S. cherries and deciduous fruit in an effort to keep the pest out. Japan's cherry harvest ends about the time U.S. production peaks, and officials expect the Japanese market can absorb all the cherries U.S. growers care to export. First-year shipments could reach 1,400 tons, worth more than $2 million.

Statistical Barometer

Item	1976	1977	1978—latest available data	
Agricultural Trade:				
Agricultural exports ($bil.)	23	[1]24	2.4	August
Agricultural imports ($bil.)	11	[1]13	1.0	August
Hogs and Pigs:				
Hogs and pigs on farms, Sept. 1 (mil.)	48.9	49.2	48.9	September
Kept for breeding (mil.)	6.8	7.2	7.4	September
Market (mil.)	42.1	42.0	41.5	September
Sows farrowing, Jun.-Aug. (mil.)	2.5	2.6	2.6	September
Pig crop, Jun.-Aug. (mil.)	18.4	18.8	18.7	September
Pigs per litter, Jun.-Aug. (number)	7.3	7.2	7.2	September
Farm Production and Efficiency:				
Farm output, total (1967=100)	117	121	121	September
Livestock (1967=100)[2]	105	106	108	September
Meat animals (1967=100)	105	105	107	September
Dairy products (1967=100)	103	105	104	September
Poultry and eggs (1967=100)	110	112	118	September
Crops (1967=100)[3]	121	129	128	September
Feed grains (1967=100)	120	124	129	September
Hay and forage (1967=100)	102	108	113	September
Food grains (1967=100)	141	131	124	September
Sugar crops (1967=100)	128	117	118	September
Cotton (1967=100)	142	195	150	September
Tobacco (1967=100)	108	98	102	September
Oil crops (1967=100)	132	171	175	September
Cropland used for crops (1967=100)	109	111	108	September
Crop production per acre (1967=100)	111	116	119	September
Farm Food Market Basket:[4]				
Retail cost (1967=100)	175.4	179.2	204.5	July
Farm value (1967=100)	177.8	178.1	216.2	July
Farmer's share of retail cost (percent)	38	38	40	July

[1]Preliminary.
[2]Gross livestock production includes minor livestock products not included in the separate groups shown. It cannot be added to gross crop production to compute farm output.
[3]Gross crop production includes some miscellaneous crops not in the separate groups shown. It cannot be added to gross livestock production to compute farm output.
[4]Average annual quantities per family and single person households bought by wage and clerical workers, 1960-61, based on Bureau of Labor Statistics figures.

Crop Reporting Board

AGRICULTURAL SITUATION

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DIANE DECKER, EDITOR

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